



State of Utah

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

June 17, 2008

Terry Wetz
Denison Mines (USA) Corp.
1050 17th Street, Suite 950
Denver, CO 80265

Dear Mr. Wetz:

Subject: Denison Mines (USA) Corp., Tony M. Mine
UPDES Permit No. UTR010215

On May 13, 2008, Dan Griffin and I met with Darrell Winters and completed a Storm Water Inspection. Enclosed is a report of that inspection. There are a few recommendation that have been noted in the inspection report.

Thank you for your time for facilitating the tour and inspection. If you have any questions, please contact me at (801) 538-9489 or mgarn@utah.gov.

Sincerely,

Matthew Garn, Environmental Engineer
UPDES Engineering Section

MG:st

Enclosure

cc: Claron D. Bjork, Southeastern Utah Health Department (W/encl)
Jennifer Meints, EPA Region VIII (W/encl)
Tom Munson, Utah Division of Oil, Gas, and Mining (W/encl)

F:\wp\Storm Water\2008 Tony M Mine 3560 cov.doc

RECEIVED

JUN 23 2008

Div. of Oil, Gas & Mining

M17 0049
TONY M
CC: PAUL BAKER

INSPECTION PROTOCOL

UPDES Permit #: UTR010215 – Denison Mines (USA) Corp., Tony M Mine
Inspection Type: Storm Water Inspection
Inspection Date: May 13, 2008

On May 13, 2008 Matthew Garn and Dan Griffin of the Division of Water Quality (DWQ) met with Darrell Winters of Denison Mines. The purpose and scope of the inspection were explained and a facility overview was conducted and reporting and recordkeeping requirements of the UPDES Storm Water permit were reviewed.

FACILITY DESCRIPTION

Location: Tony M Mine
Located in Shootaring Canyon
Garfield County, Utah, Section 5, 8, 9, 16, 17, 21 Township 35 South, Range 11 East

Receiving waters: Shitamaring Creek

Process: Denison Mine's Tony M Mine is a Uranium Mine that is in the process of dewatering the mine. The process water goes to fully self-contained evaporation ponds. A storm water pond has been constructed to settle out the suspended solids from a storm event. A perforated stand pipe is located in the middle of the pond with the discharge to Shitamaring Creek. At the time of inspection there was no water in the storm water pond.

INSPECTION SUMMARY

After conducting a site tour, it appears that there is a possibility that during a storm event there could be some runoff from the exposed ore on the ore pad that could reach the storm water pond. If storm water and process water do come in contact with each other then the water in the pond would be considered process water and would need an individual UPDES permit for any discharge. The SWPPP looked adequate and inspection reports were in the plan.

REQUIREMENTS

Monitor the storm water discharge at the frequency stated in the storm water permit # UTR010215.

RECOMMENDATIONS

Sign and submit a No Exposure Certification form. A condition of no exposure exists at an industrial facility when all industrial materials and activities are protected by a storm resistant shelter to prevent exposure to rain, snow, snow melt, and/or runoff. By signing and submitting this form Tony M Mine would be certifying that a condition of no exposure exists at its facility.



United States Environmental Protection Agency
Washington, D.C. 20460

Water Compliance Inspection Report

Section A: National Data System Coding (i.e., ICIS)

Transaction Code N	NPDES U T R 0 1 0 2 1 5	yr/mo/day 0 8 0 5 1 3	Inspection Type ~	Inspector 2	Fac. Type 20
21	2	11	12	17	18
Remarks					
66					
Inspection Work Days 0 0 1	Facility Self-Monitoring Evaluation Rating 5	BI N	QA N	Reserved	
67	69	70	71	72	73 74 75 80

Section B: Facility Data

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number) Denison Mines (USA) Corporation, Tony, M Mine Located in Shooting Canyon Located in Garfield County, Utah, Sections 5, 8, 9, 16, 17, 21 Township 35 South, Range 11 East	Entry Time/ Date 09:00 am 05/13/2008	Permit Effective Date 05/09/2008
	Exit Time/ Date 11:00am 05/13/2008	Permit Expiration Date 12/31/2010
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s) Darrell Winters (435) 979-2897	Other Facility Data (e.g., SIC NAICS, and other descriptive information) SIC : 1094 - Uranium-Radium-Vanadium Ores NAICS : 21229 - Other Metal Ore Mining	
Name, Address of Responsible Official/Title/Phone and Fax Number Christy Woodward 1050 17 th Street, Suite 950 Denver, CO 80265 (303) 389-4136	Contacted <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Section C: Areas Evaluated During Inspection (Check only those areas evaluated)

<input checked="" type="checkbox"/> Permit	<input type="checkbox"/> Self Monitoring Program	<input type="checkbox"/> Pretreatment	<input type="checkbox"/> MS4
<input checked="" type="checkbox"/> Records/Reports	<input type="checkbox"/> Compliance Schedule	<input type="checkbox"/> Pollution Prevention	
<input checked="" type="checkbox"/> Facility Site Review	<input type="checkbox"/> Laboratory	<input checked="" type="checkbox"/> Storm Water	
<input type="checkbox"/> Effluent/Receiving Waters	<input checked="" type="checkbox"/> Operations & Maintenance	<input type="checkbox"/> Combined Sewer Overflow	
<input type="checkbox"/> Flow Measurement	<input type="checkbox"/> Sludge Handling/Disposal	<input type="checkbox"/> Sanitary Sewer Overflow	

Section D: Summary of Findings/Comments

(Attach additional sheets of narrative and checklists, including Single Event Violation codes, as necessary)

SEV Codes	SEV Description
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	

Name(s) and Signature(s) of Inspector(s) Matthew Garn 	Agency/Office/Phone and Fax Number(s) Division of Water Quality (801) 538-9489	Date: 06/16/2008
Dan Griffin 	Division of Water Quality (801) 538-7020	06/16/2008
Name and Signature of Management Q A Reviewer John Kennington, P.E., Manager UPDES Engineering Section 	Agency/Office/Phone and Fax Number(s) Division of Water Quality (801) 538-6713	Date: 06/16/2008